

A Route Out of Poverty

Your Department
of Public Welfare

Commonwealth of
Massachusetts
Michael S. Dukakis,
Governor

1986 Annual Report

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On the cover:

Welfare is children. At any one time, approximately 85,000 Massachusetts families receive Aid to Families with Dependent Children (AFDC), but

two-thirds of all welfare recipients are children. The Department of Public Welfare's mission is to provide a route out of poverty for these children

by helping their parents—most often their mothers—obtain the basic necessities of life such as food, shelter, clothing

and health care, but also the tools they need to become independent of welfare such as education, training, daycare, employment and child support.

There are many ways to help people out of poverty: a job, housing, health care, child support—even improved management.

The individuals we have chosen to spotlight in this report represent the 5,000 employees who have helped change the direction of the Department of Public Welfare.

These individuals cannot claim a fancy title and their jobs are not easy, but they share a commitment to excellence and making Your Department of Public Welfare an agency which offers hope and opportunity to a half million poor mothers and children, elderly, homeless and disabled citizens of the Commonwealth.

This report is dedicated to the employees of the Department of Public Welfare.

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**“Given a genuine
opportunity, most
welfare recipients
will choose work
over welfare
every time.”**

Michael S. Dukakis
Governor
Commonwealth
of Massachusetts

Dorothy Hayman
ET Graduate
Surgical Technician



To the Taxpayers of the Commonwealth:



Four years ago, we set out to reform the welfare system in Massachusetts. The taxpayers of this Commonwealth—and the half million clients we serve—are entitled to a Welfare Department which is honest, well-managed, fiscally responsible, and which treats the poor with dignity and compassion. But I believe welfare should be more than simply handing out checks in a timely manner. We set out to make welfare a route out of poverty by offering people a hand up and a way out.

We have made enormous progress toward our goal. The overwhelming success of the ET program, our savings and revenue initiatives, homeless and health care programs and our efforts to dispel the myths about welfare are just a few examples of a new, more positive approach to welfare in Massachusetts.

But just as architects do not build buildings, welfare commissioners cannot just hand out opportunity. *Nothing* can be accomplished without the people who work on the line, in the local offices, in the homeless shelters, in the nursing homes and health clinics and in the computer room day after day.

Whether it means relocating 24 homeless families within six hours because of a fire, helping an elderly person get into a nursing home, providing emergency food to a family whose power went out because of a storm, or calculating the effects of Federal budget cuts on teenage mothers, employees of the Department of Public Welfare have shown a remarkable spirit of innovation, extraordinary dedication, and compassion.

You will meet many of my colleagues on the following pages, but before you do, I think it is important to look back at where we were four years ago.

When I became Commissioner in May of 1983, morale in the Department was very low.

Compassion for the poor and even for our own employees had gone out of style. There were no agency goals. Routine was an end in itself.

Thousands of working poor families had been lopped off the welfare rolls and the clients who were left were receiving benefits which were far below the federal poverty level.

A punitive workfare program was in full swing. At its worst, welfare clients were forced to travel up to 30 miles in order to sit around a table with other welfare recipients and telephone companies listed in the yellow pages and ask for jobs. For those who got jobs, only 37% kept them longer than 30 days.

At over 11-percent, the welfare error rate was the third highest in the nation—and rising. The state was threatened with Federal penalties and the loss of millions of dollars.

The number of homeless families was increasing, but the Department funded only two shelters in the entire state and no one was trying to locate permanent housing.

Medicaid, the billion dollar health care program for the poor, was growing out of control. Millions of bills were still being paid by hand out of shoeboxes instead of by computer. And in many parts of the state, pregnant women were unable to find an obstetrician who would accept Medicaid.

Of the top ten management positions in the Department, only one was held by a woman and none by minorities. Welfare caseworkers handled over 200 cases each and spent their days suffocating in overcrowded, substandard office buildings.

We had our work cut out for us. I hope this four year progress report will give you an idea of how proud I am of what the employees of Your Department of Public Welfare have been able to accomplish.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles M. Atkins'.

Charles M. Atkins, Commissioner

**"We give people
hope when
everything seems
hopeless. You
hear a lot about
homeless
families—mothers
and babies living
in motels and
shelters. But
there are so many
success stories
like Diana Vega's."**

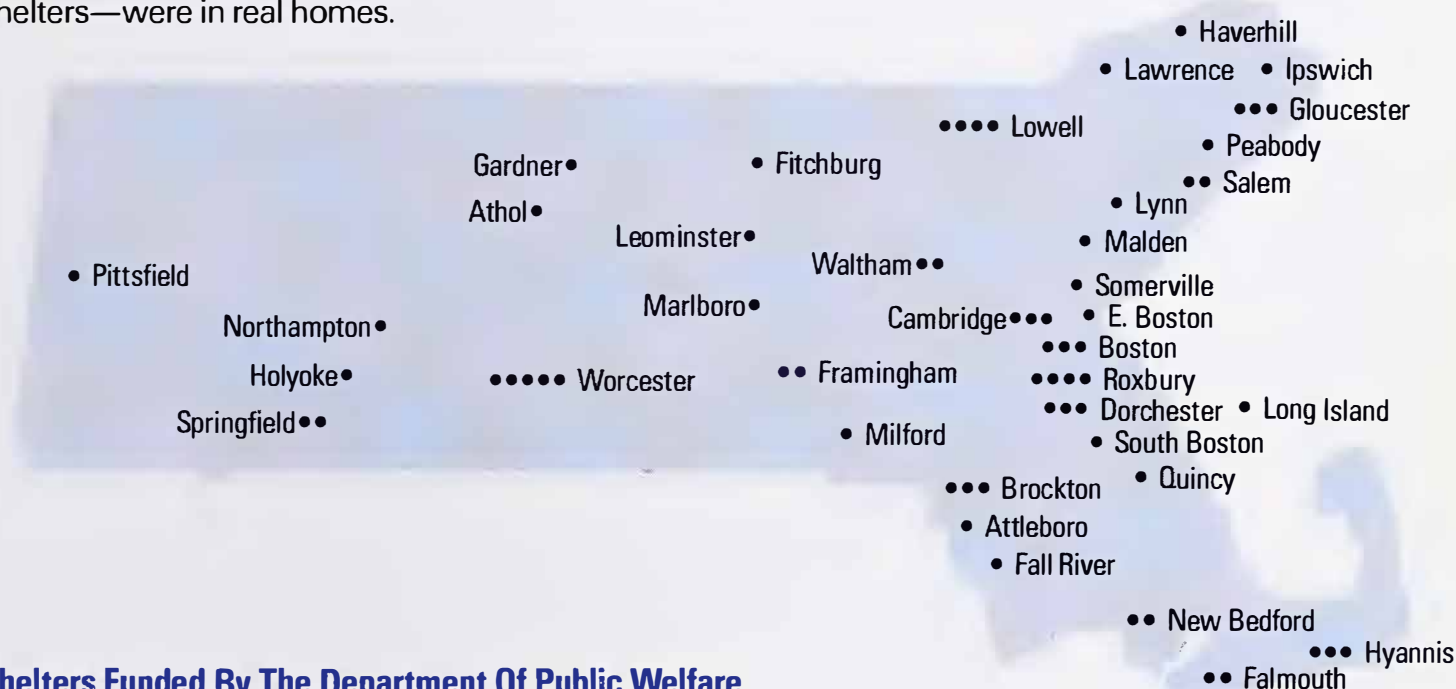
Leslie Fabian
Housing Search Specialist
Years with the
Department: 8 months
with Diana Vega
and her children
Celenia and Jesus.



2,600 Homeless Families In Permanent Housing

In July of 1985, the Department of Public Welfare began an aggressive program to locate permanent housing for homeless families. The housing search staff contacted landlords, used the state's 707 rent subsidy program, answered ads in the newspapers and worked with the Realtors Association to produce a brochure to encourage landlords to rent to homeless families. By February of 1987, 2,600 families—who had been living in hotels, motels and shelters—were in real homes.

Last September, Leslie Fabian, a housing search specialist, heard about a two bedroom apartment in Roxbury which turned out to be perfect for Diana Vega and her two children. And after an entire year of shuttling her family between relatives, shelters and motels, Diana Vega had Thanksgiving and Christmas in her own home.



Shelters Funded By The Department Of Public Welfare

In 1982, the Department of Public Welfare funded only two homeless shelters. Both were located in the Boston area. Today, the Department funds a network of over 60 shelters for families and individuals with 2,000 beds throughout the Commonwealth.



Family shelters funded by the Department of Public Welfare have been called a national model. The small, 20 to 30 bed shelters are operated by local organizations and provide meals, counseling, housing search services and daycare.

Pictured above is the Family Resource Center shelter in Attleboro.



Boston Globe Photo

The Department's fourth annual toy drive collected over \$5,000 in toys which were distributed to homeless children across the state.

This photo of Public Welfare Santa David Catanzano, of the Department's Employee Services Unit appeared on the front page of *The Boston Globe* on Christmas morning. Catanzano and his elves, Kathy Donahue and Mary Quigley of the Hearings Unit, delivered gifts to the Cape Verdean family shelter in Roxbury.

"No one wants to stay on welfare forever. But most people need help getting off. ET is a way out and my job is to help. That means everything from helping a mother enter a training program to arranging daycare for her children."

Marilyn Costello
ET Worker
Lawrence Welfare Office

Years with the
Department: 14

with Carmen Colon, an
ET graduate and
electronic technician and
Michael Faber, Operations
Manager of EF Industries
of Lawrence.



Over 500 Clients Each Month Get Jobs Through ET

Now recognized as a national model, Massachusetts Employment and Training Choices program has helped thousands of welfare families out of poverty.

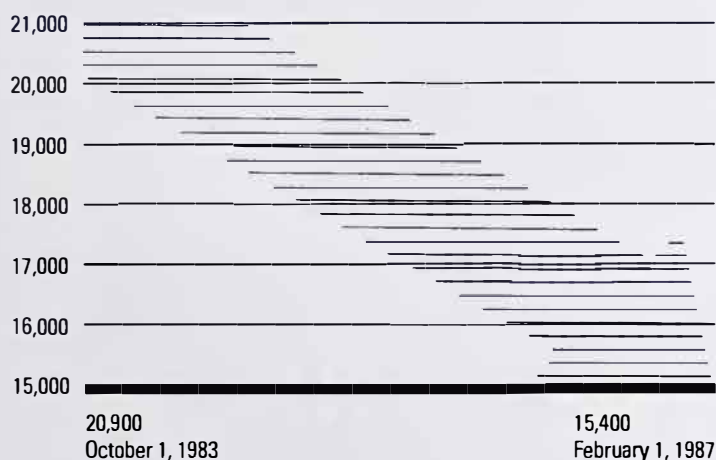
The program—known as ET—helps more than 500 welfare recipients and applicants get full or part-time jobs each month throughout the Commonwealth. The average ET graduate who takes a full-time job now earns \$12,800 per year to start. And 86% of those who have gone off welfare through the program are still off welfare one year later.

Last year, ET saved taxpayers an estimated \$121 million in reduced welfare benefits and increased revenue from social security contributions and federal and state income and sales taxes.

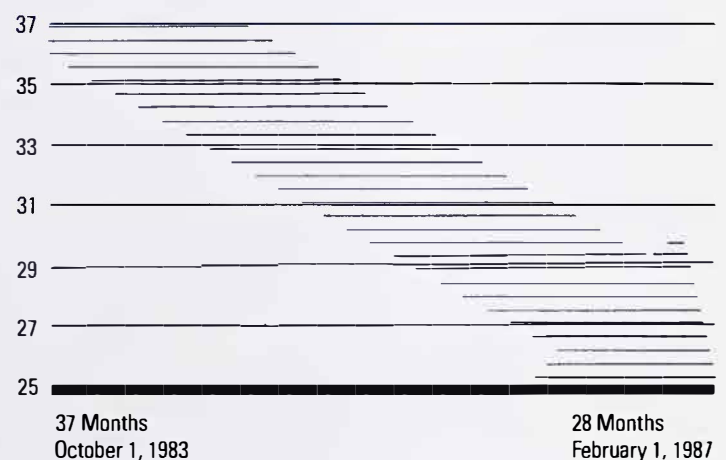


Many local welfare offices have found creative ways to make ET work better. Here at the Bowdoin Park office for example, Kate Murphy (right) talks with a client in the waiting room about employment and training opportunities. A daycare specialist visits the office three times each week to help clients with child care problems and job placement staff from the Division of Employment Security are based in the office.

**Families on AFDC Five Years or Longer
Down 26%**



**Average Length of Stay on Welfare
Down 24%**



ET has had a dramatic effect on reducing welfare dependency as shown by the charts above.

While the overall caseload has declined 5% since ET began, the number of long-term welfare cases—those on welfare five years or longer—has declined 26%. The average length of stay on welfare has decreased by 24%.

“How do we help people out of poverty? A combination of things: a job, health care, housing and child support. Our new office stands as a symbol of opportunity and a route out of poverty to those in need.”

Desdemonia Alexander
Director
Grove Hall Welfare Office

Years with the
Department: 4 1/2

with Gabriel Toussaint,
Financial Assistance Social
Worker and Grace Lane,
Social Work Supervisor.



Welfare Benefits Up 32 % Child Support a Record \$50 Million

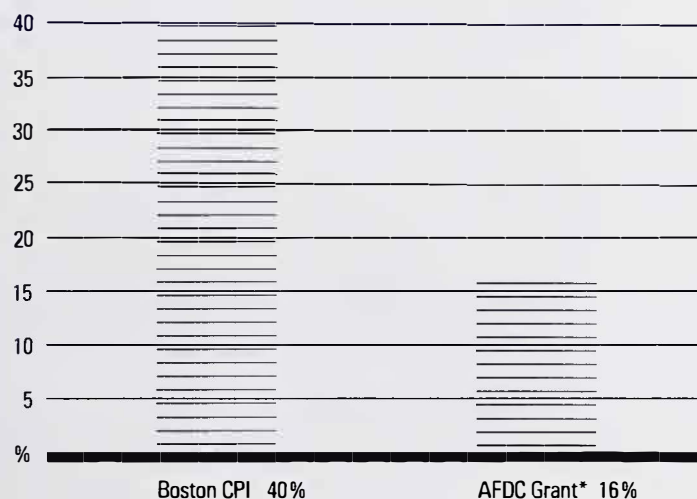
Between 1970 and 1985 the number of births to unmarried mothers in Massachusetts increased 68%. The divorce rate went up 97%. And the number of single-parent families rose 94% between 1975 and 1985. Currently, approximately 85,000 families in Massachusetts receive AFDC or Aid to Families with Dependent Children. The overwhelming majority, 96%, are headed by women.

There are many myths about people on welfare. During the past four years the Department of Public Welfare has worked hard to dispel those myths and present the facts. Who is the average welfare recipient? The average welfare family is composed of a 30-year old white mother with two children who has lived in Massachusetts for at least ten years, speaks English and has been on welfare for less than two years.



Child Support collections have increased 25% from \$40 million in 1983 to a record \$50 million in 1986. Child Support enforcement workers used court orders, collection agencies, intercepted federal and state income tax refunds and absent parents' wages in order to help poor children on welfare receive the support they are legally entitled to. This collections goal was achieved despite a decrease in the welfare caseload.

AFDC Grant Increases vs. Inflation 1979-1983

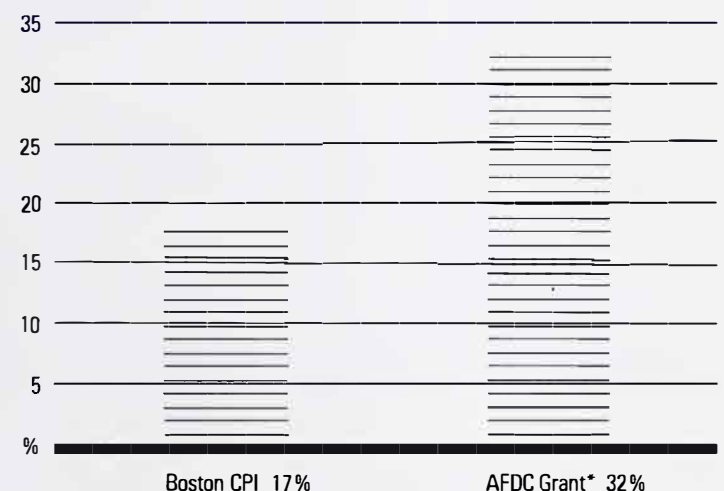


*AFDC Grant includes clothing allowance.

Unlike social security benefits, the Federal government does not require welfare benefits to go up every time inflation does. It is up to each state to increase welfare benefits as it sees fit. Currently, no state in the nation provides benefits which are equal to or above the Federal poverty level which is \$9,300 per year for a family of three. In 1978, in Massachusetts, AFDC benefits plus Food Stamps were nearly equal to the Federal poverty level.

Between 1979 and 1983, a poverty gap developed. During those years, welfare benefits went up 16%. However, over that same period of time inflation rose 40%.

AFDC Grant Increase vs. Inflation 1983-1987



*AFDC Grant includes clothing and rental allowance.

In contrast, between 1983 and 1986, the Dukakis Administration, by working with the legislature and the advocacy community, has been able to increase benefits 32%—nearly twice the rate of inflation.

"We want to eliminate the welfare stigma and make certain that women and children on public assistance have access to the same quality health care as anyone else. Take Maureen for example. She doesn't need a Medicaid card anymore. She carries a Healthway Health Plan card."

Joan Smith
Health Choices specialist
Brockton Welfare Office

Years with the
Department: 7

with Maureen and
Melissa LoGrasso and
Mary Ann Aldrich, R.N.,
Director of Patient
Services for Healthway
Health Plan.



Medicaid Offers Health Choices— Quality, Savings Access

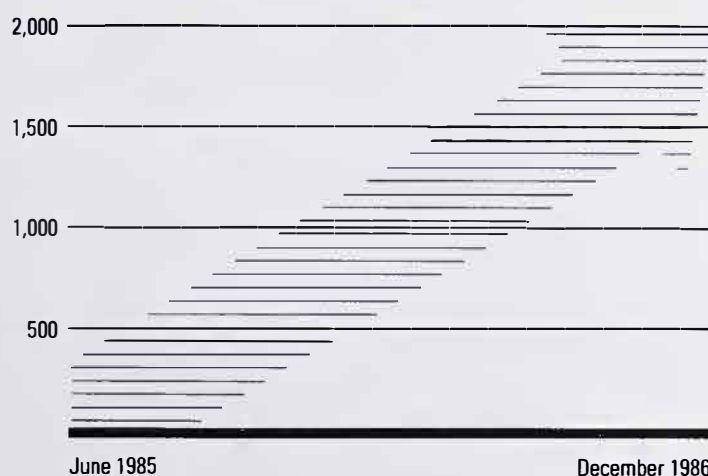
A new way of doing business. Health Choices offers better access to health care. Modelled after the Department's successful Employment and Training Choices program, Health Choices is part of the Department's new approach to delivering services where all of a family's needs are taken into account—such as housing, a job, child support and health care.

Health Choices is cost effective. Each year, the Department of Public Welfare spends over \$100 million on families who take their children to the emergency room or the hospital out-patient department every time they need basic medical care. That makes for expensive and fragmented health care. With Health Choices, families may join a health maintenance organization (HMO), a neighborhood health center or receive coverage under private health insurance. Health care is personalized, preventative—and cost effective.

Since Health Choices began in July of 1986, the Department has enrolled over 10,000 welfare clients in the program.



New Physician Enrollments



Since June of 1985, nearly 2,000 new physicians have enrolled in the Medicaid program. Increased rates, less paperwork, better audit procedures and rapid turn around on bill payments (the Medicaid Management Information System now processes 95% of all bills within 21 days) have been incentives for physicians to participate in Medicaid.

Last year, the Medicaid staff discovered that at any one time, several hundred elderly people were in hospitals waiting for a bed in a nursing home to open up. The waiting—known as administrative days—was costing the Medicaid program and taxpayers some \$50 million per year. By working with the hospitals and nursing homes, the Medicaid staff was able to place 1,500 patients between March and December of 1986 for a savings of \$4.7 million. In addition, over 20% of these patients were able to avoid a nursing home altogether and receive special, less costly services in their own homes.



Health Choices now offers memberships in 20 health maintenance organizations (HMO's) and neighborhood health centers throughout the Commonwealth.

**"It's something
we pay a lot of
attention to. Most
people are really
surprised to
find out that
the Welfare
Department
actually brings in
money."**

John Robertson
Director
Third Party Liability Unit

Years with the
Department: 5½



Savings & Revenue Record High Errors at Record Low

In 1986, the Department of Public Welfare achieved the largest growth in savings and revenue in the agency's history—from \$92 million dollars in 1983 to over \$350 million this year—a 280% increase.

Some ingredients of Public Welfare's savings and revenue program are:

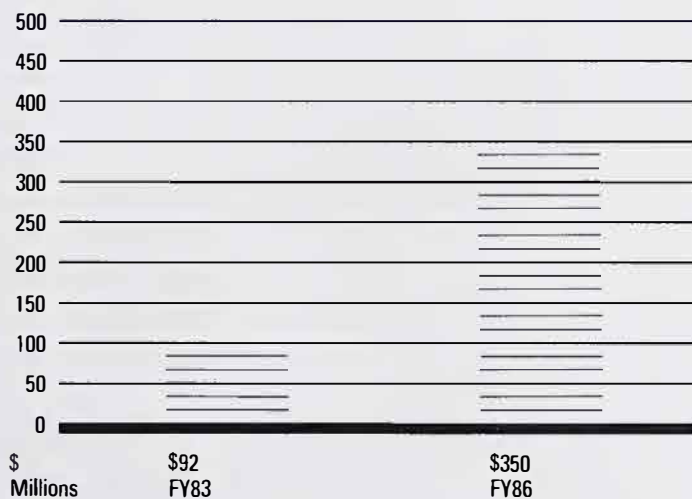
Third party Liability. Very often children are on welfare but they are covered under an absent parent's health plan. Since FY 1982, the TPL unit has accounted for \$125 million in new and continuing savings by making sure that private insurance companies—and not the Commonwealth's taxpayers cover the cost of health care for many of Public Welfare's clients.

Audits. This year, the Department collected \$12 million through increased and improved audits.

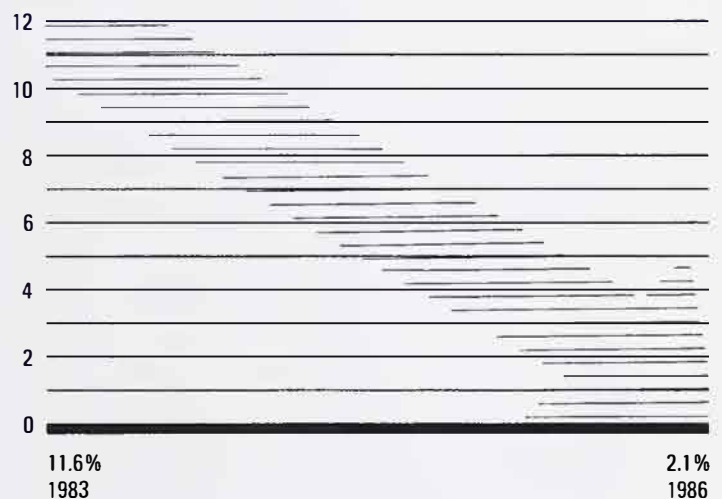
Recoupments. The Department's finance division recovered \$38 million in FY 1986 in overpayments to Medicaid providers and clients.

Error Rate. In 1983, the AFDC error rate—a measure of accuracy in welfare cases—was 11.6% and rising. It was the third highest in the country. Today, as a result of hard work and increased emphasis on accuracy, the error rate is 2.1%—the lowest in the history of the Commonwealth and below the Federal target of 3%. This error reduction has saved the Commonwealth some \$44 million in possible Federal fines against states which have error rates of over 3%.

Savings And Revenue Are Up



AFDC Error Rate at Record Low



In 1982, the Department of Public Welfare spent one third of the entire state budget. Today, that share has been reduced to 22% and the Department now holds the distinction of being the second largest revenue producing agency in the Commonwealth after the Department of Revenue.

In FY 1986, Public Welfare savings and revenue totalled \$350 million. In addition, the Department received over \$900 million in federal reimbursement for welfare programs.

**"It just makes you
feel good to be
recognized after
26 years of work.
It makes me feel
proud of the work
I've done all these
years, and happy
to be working for
a Department that
appreciates its
employees."**

Camella Despres
Performance Recognition
Award winner
Head Clerk,
Fall River welfare office

Years with the
Department: 26



Awards Program Honors a Winning Staff

Since 1983, hundreds of Welfare Department employees have been honored for their good work through the Department's awards program. These awards include: the ET award, child support award, Commissioner's Excellence Award for Attainment of Agency Goals, the Compassion Award and the state's highest honor, the Performance Recognition Award, which is presented by Governor Michael Dukakis.

Performance Recognition Award Winners

Jolie Bain Pillsbury, Associate Commissioner for Eligibility Operations received a special award from Governor Dukakis for distinguished management on behalf of low income citizens of the Commonwealth. Jolie is responsible for the day to day management of the Department's 63 local welfare offices. In that capacity she was responsible for managing the Department's error rate reduction strategy and helping welfare caseworkers to improve services to clients. The result was that the error rate went from 11.6% in 1983 to 2.1% today.



Bowdoin Park Office Through a creative and enthusiastic team effort, this Boston welfare office has succeeded in helping more than 1,000 clients out of poverty through ET.

Long Term Care Unit (above right) Between March and December of 1986, this unit saved the Commonwealth \$4.3 million by reducing the number of Medicaid patients waiting in hospitals for a nursing home bed.

Policy and Procedure Unit This unit has reduced welfare paperwork by nearly 50%. Bob Burgess and the Printing, Supply and Distribution office played a major role in this effort.



Performance Recognition Award Winners, Continued



Susana Alberty
Employment and Training
Choices Worker, Holyoke
Office.

Susana put together a radio program in her community which helped bring clients into the ET program.



Edward Chase
Director of Housing Search
Unit, Central Office.

Ed's unit has placed 2,600 homeless families into permanent housing since July 1985.



Philip Cummings
Assistant Director for
Programs, Grove Hall Office.

Phil developed a plan to reduce the error rate which was so successful it was borrowed by other offices.



Alyce Gadles
Financial Assistance Social
Worker, Brockton Office.

In an effort to help families out of poverty, Alyce routinely offers clients job counseling and job referrals.



Mary Hunt
Financial Assistance Social
Work Supervisor,
Lawrence Long Term
Care Unit.

Mary helped develop a Medicaid workshop for employees which is now requested by hospitals and nursing homes.



Kieng Kim
Financial Assistance Social
Worker, East Boston Office.

Kieng has helped many refugee families resettle in the community and enabled the entire office to better understand cultural differences.



Dorothy Renaghan
Director of Management
Services, Office of
Administration.

Dorothy managed the relocation or renovation of 24 local welfare offices as well as the central office.



Howard Waddell
Director of Publications
and Outreach, Office of
External Affairs.

Through creative and aggressive use of direct mail, Howard has helped clients enroll in ET and understand Department programs.

Compassion Award Winners

Offices were closing and people were rushing to the safety of their homes as Hurricane Gloria blew into Massachusetts. But Agnes Clifford, Assistant Director for Provider Enrollment and Medical Review in the Medicaid program stayed at her desk. She did not go home until she had contacted every Medicaid recipient with a respirator and informed them of the need for a back-up supply of oxygen because of the storm.

A distraught client was threatening to jump from the 6th floor balcony of the Malden office when Katherine Donovan, a Financial Assistance Social Worker, intervened. Katherine calmed the client down and talked her out of her suicide attempt. She arranged counseling for the woman and continued to remain in contact with her months later.

Bernadette McCarthy helped a family whose nine year old daughter was hit by a car. On her own time, Bernadette arranged for the family's transportation to and from the hospital for nearly three months so they could visit their daughter. She also started a community fund to provide cable-TV service for the little girl while she recuperated at home.

It is Katherine, Agnes, Bernadette and the other Compassion Award winners that Commissioner Atkins referred to when he stated at the Second Annual Awards Luncheon, "These individuals have gone beyond the call of duty and shown extraordinary commitment and dedication to the people of the Commonwealth."



Mary Allen
Pittsfield



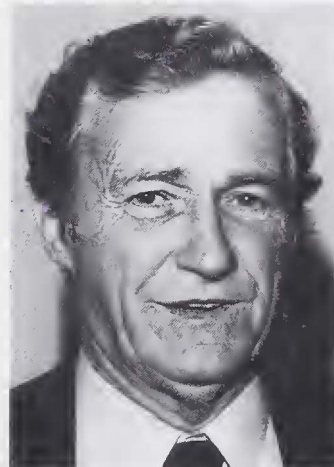
Desdemonia Alexander
Grove Hall



Mary Ashe
Springfield



Amy Babineau
Orleans



Rene Baron
Lowell



Jean Bellow
Eligibility Operations



Howard Bond
Northampton



Robert Burgess
Administration

Outstanding Public Servant



On Thursday, December 18, 1986, Welfare Commissioner Charles M. Atkins was named the outstanding public servant of the year by the Massachusetts Taxpayers Foundation.

Commissioner Atkins received the award from Governor Michael S. Dukakis and the Foundation's Mary Newman, former Secretary of Economic Affairs.

Compassion Award Winners, Continued



Donna Cain
Medicaid



Patricia Catoe
Client Services



Martha Ceplikas
Springfield



Sheila Chisholm
Somerville



Marie Churchill
Somerville



Agnes Clifford
Medicaid



Elizabeth Coleman
Roslindale



Helen Connors
Brookline/Newton



Marvin Davenport
Chicopee



Rose DeFrancesco
Lawrence



David Despres
Beverly



Katherine Donovan
Malden



William Duncan
Gardner



Emma Evan
Brookline/Newton



Rosemary Evans
ET



Maria Fici
Haverhill

Compassion Award Winners, Continued



Lillian Foley
Roslindale



Eleanor Freitas
Falmouth



Angela Isaacson
Project Management



Donna Kiely
Fall River



Ellen Madow
Waltham



Irma Maldonado
Roxbury Crossing



Bernadette McCarthy
Client Services



Paul Nicewicz
Roxbury Crossing



Fred Nicholaev
Adams



John Nickrosz
Boston City Hospital Medicaid



Gail Noonan
Taunton



Theresa O'Connor
Project Management



Marie Palmer
Administration



Arline Porter
Hawkins Street



Maryann Prokos
Finance



Aida Rayford
Boston City Hospital Medicaid

Compassion Award Winners, Continued



Rhonda Ridley
Roxbury Crossing



Isabella Shinner
Lawrence Long Term Care



Robert Thompson
Greenfield



Jon Tirrell
Orleans



Margarite Whetstone
Cambridge



Bernice Winer
Medicaid

Not Pictured:
Susana Alberty
Holyoke
James Egan
Brookline/Newton
Bernardita Feliciano
Lawrence
James McCarthy
East Boston
Gwen West
Great Barrington
Betty Wornam
Grove Hall
Chelsea Office Staff

Executive Staff



(R to L) First Row: **Jolie Bain Pillsbury** Assoc. Commissioner for Eligibility Operations **Carmen Canino** Assoc. Commissioner for Medical Payments **Joseph Gallant** Assoc. Commissioner for Project Management **Barbara Burke-Tatum** Assoc. Commissioner for Employment and Training **Charles Atkins** Commissioner **Thomas Glynn** Deputy Commissioner **Carol VanDeusen Lukas** Asst. Commissioner for Research, Planning and Evaluation **Thomas Sellars** Asst. Commissioner for Finance

Second Row: **Anne Kelly** Executive Asst. to the Commissioner **Russell Belliveau** Deputy Assoc. Commissioner for Medical Payments **Helen Cort** Deputy Director of Hearings **Jean Bellow** Deputy Assoc. Commissioner for Eligibility Operations **Chela Tawa** Director of Community Affairs **Margaret Mulligan** Asst. Commissioner for Policy and Procedure **Thomas Noonan** Deputy Asst. Commissioner for Legal Affairs **Leah Sprague** Asst. Commissioner for Legal Affairs **Roland Cassavant** Director of Hearings **Mark Pelofsky** Executive Asst. to the Deputy Commissioner **Teri Bergman** Asst. Commissioner for External Affairs

Third Row: **Gary Patenaude** Asst. to the Commissioner for Systems **Dean Denniston** Special Asst. to the Commissioner for Personnel **Susan Hall** Director of Correspondence **Genia Long** Asst. Commissioner for Budget and Cost Control **Robert Master** Medical Director

Fourth Row: **Gerald Robinson** Deputy Assoc. Commissioner for Project Management **Jean Ford Webb** Asst. to the Commissioner for Health Systems Management **Joseph Madison** Deputy Assoc. Commissioner for Employment and Training **William Carito** Dir. of Legislative Affairs **Donald Reaves** Deputy Asst. Commissioner for Budget and Cost Control **Walter Holmes** Asst. Commissioner for Administration **Lee Chelminiak** Director of Communications

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Charles M. Atkins, Commissioner



Your Department of
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